

NRO review(s) completed.

9 March 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Points of Issue re NRO

McMILLAN UNDER SEC / DNRO
NO JOINT STAFFING
RESPONSE TO RUSSELL REPORT WITHOUT CIA
NO FLEXIBILITY OF BUDGET
112A
COUNTERMEASURE NEGATIVE
COMOR
R&D efforts on SATELLITES
DESIRE TO CANCEL COR
[] WITH CIA
[] HAD CANCELLED WITHOUT OUR KNOWLEDGE. [] ALSO

TAGBOARD

Although originally assigned to CIA by Dr. Charyk,
Dr. McMillan reversed this decision and assigned it to
Program D (Col. Leo Geary, USAF).

COVERT SATELLITE

Initially Dr. Charyk agreed with Dr. Scoville that CIA
should budget for a covert satellite program and concurred

[] should be included in the FY 1964 budget.

Later Dr. Charyk reduced this figure []

[] Dr. McMillan has reduced this figure
to []

with the statement that no
decision has been made concerning the assignment of manage-
ment responsibility for covert satellites.

CORONA

Although CIA is responsible for the development and
operational success for some three years of the CORONA
Program, since the advent of the NRO considerable pressure

has been effective by the NRO to divest

CIA of all association with the CORONA Program, except for security and contracting. DNRO is presently preparing a direct assignment of CORONA responsibilities to General Greer, USAF.

IDEALIST

Since the take over of Cuban reconnaissance by SAC in October 1962, Air Force has continually strived to take over all reconnaissance of denied territories. By establishing requirements far exceeding known capabilities of CIA, Air Force has been able to move into Saigon to take over some overflights of North Viet-Nam and Laotian border areas.

EASTMAN KODAK

In the past CIA had direct technical direction, contracting, security and general management responsibility for I, O, and C matters, including R & D at Eastman Kodak. When the NRO was established, NRO directed CIA have contracting and security responsibility for all contracts with Eastman Kodak, including those managed by General Greer. Recently, the NRO has stripped CIA from all technical or R & D association with Eastman Kodak directing that General Greer handle the R & D. The NRO Staff has taken over responsibility for establishing film procurement and processing requirements for all programs.

FUNDING

With funds for CIA/NRO programs controlled by Director, NRO, CIA has been "nickeled and dimed" and the extent of their activity closely controlled by NRO. General Greer, on the other

hand, has been endowed with considerable funds which permit him to engage in a variety of studies and satellite development programs, without the knowledge of CIA or the few CIA members in the NRO. Deputy Director, NRO, Mr. Gene Kiefer, has been by-passed on most issues in the NRO. He is isolated from the flow of information internally in the NRO and his opinions and counsel are not sought in any major NRO decisions.

With the understanding that operational control of satellite programs would be housed in a central ops center at NRO Headquarters, CIA agreed to the transfer of its Satellite Operations Center, which at the time was running the CORONA, MURAL, LANYARD and ARGON Programs, to the newly established NRO facility in the Pentagon. Since the NRO would not have a capability in-house to operate this facility CIA personnel were transferred as well. During the past year, however, DNRO has been content to let the operational control slip from the Washington area to General Greer's Headquarters on the West Coast. Having been advised by DNRO that he, General Greer, could override any operational decision from Washington should it be in the best interest of the mission or should Headquarters not be able to provide timely information, he (General Greer) could make the necessary decisions. As a result, mission status reports are not sent to Headquarters in a timely fashion to permit Headquarters adequate response time, and consequently General Greer makes the decisions

himself. Objections raised by the CIA members of the Satellite
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were ignored by Gen -3- Martin B/ NRO Staff